GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2181
ANSWERED ON:06.05.2016
Performance of NABARD
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government has reviewed the performance of National Bank for Agriculture and Rural Development (NABARD);

(b) if so, the details and the outcome thereof;

(c) the number of projects sanctioned and approved by NABARD during the last year and the current year in the country, State-wise including Karnataka;
(d) the details of difficulties, if any, faced in implementation of the said projects, State-wise; and

(e) the remedial measures taken/ proposed to be taken in this regard?

Answer

The Minister of State in the Ministry of Finance

(a)& (b): Every year, National Bank for Agriculture & Rural Development (NABARD) forwards to the Central Government a copy of Audited Annual Accounts along with a copy of Auditor's Report and two copies of Annual Report of the Board of Directors on the working of NABARD during the year, for layingthe same before each House of Parliament,in terms of Section 48(5) of NABARD Act, 1981. The performance of NABARD is also periodically reviewed in its Board meetings wherein three Directors of Central Government of the rank of Secretary/Additional Secretary are present.Besides, periodic review of flow of agriculture credit is done by the Government and a number of review meetings are held at appropriate level to discuss the various aspects of NABARD's functioning as well as to review the progress of NABARD's various programmes and schemes. Due to close coordination between Government and NABARD, the flow of agriculture credit in the country has been on the constant rise. The interventions of NABARD under Rural Infrastructure Development Fund (RIDF) and Self Help Group- Bank Linkage Programme, besides its other initiatives in development of rural farm and off-farm sectors, have positively impacted the lives of rural population.

(c): The State-wise details of projects sanctioned by NABARD, including Karnataka, under RIDF, Food Processing Fund (FPF) and Warehouse Infrastructure Fund (WIF) are given in Annex.I, II & III respectively.

(d) & (e): NABARD has reported that in implementation of RIDF projects the challenges faced relate to delay in obtaining necessary clearances from forest authorities, railway authorities, land acquisition, tendering process etc. Similarly, for execution of projects under FPF and WIF, the common difficulties relate to delay in according administration approval by the State-Governments, obtaining State Government guarantee & title of land for mortgage etc. NABARD has further reported that issues impeding implementation of projects are periodically discussed in the High Power Committee (HPC) meeting, chaired by the Chief Secretary of the concerned State Government. In addition, need based meetings are also held with the senior officials of the concerned State Government Department/Corporation to resolve the bottlenecks.